

Comparison Fund Balance Targets

Locality	Undesignated Fund Balance Target, General Fund	
GFOA	5-15%	Minimum of operating revenue, or 1 - 2 months operating expenditures
Alexandria	5.5%	of revenue
Chesterfield	7.5%	of expenditures with a floor of 5%
Culpeper	10-15%	of operating revenue; amounts above 15% shall be reserved for contingencies
Fairfax	5.0%	3% of disbursements for revenue stabilization, and at least 2% emergency reserve
Frederick	10.0%	estimated fund balance
Fredericksburg	7 - 12%	of revenue
Harrisonburg	10.0%	of the total budget plus adequate funds for cash liquidity purposes (about 4%)
James City County	8-12%	of the total operating budget
King George	5.0%	of the total budget
Loudoun	10.0%	of operating revenue
Manassas	15.0%	of the annual budget
Norfolk	5.0%	of the operating budget
Prince William	5.0%	minimum of revenue
Pulaski	10.0%	of the operating budget
Roanoke County	8.0%	of expenditures
Spotsylvania	8-10%	of the operating revenue, plus an emergency reserve of 0.5% of general fund

Unreserved, undesignated fund balance

- mitigate risks such as volatility in revenue collections
- impact of other funds such as joint comm, airport, landfill, schools
- cash flow

- enhance planning
- flexibility in addressing needs
- demonstrates financial strength and creditworthiness
- better to save when times are good than when times are lean
- revenue dominated by property taxes (70%)
- sustain operations during economic downturns
- stabilize delivery of services
- stabilize taxes and fees
- cost savings in the issuance of debt

Contingency reserve

- unanticipated expenditures in current operating budget cycle